

Message Text

PAGE 01 CARACA 10266 01 OF 02 022032Z

45

ACTION SS-30

INFO OCT-01 ISO-00 SSO-00 /031 W

----- 009490

O 021951Z DEC 73

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC IMMEDIATE NIACT 1946

S E C R E T SECTION 1 OF 2 CARACAS 10266/1

EXDIS

DEPARTMENT PASS BOGOTA EYES ONLY FOR DEPUTY ASSISTANT SECRETARY
SCHLAUDEMANN

E.O. 11652: GDS

TAGS: MASS ESTC VE CU US

SUBJECT: VENEZUELAN SHIPS IN CUBA TRADE

REF: A. STATE 235702; B. CARACAS 10263; C. CARACAS 10264

1. I SAW FONMIN CALVANI BEFORE LUNCH TODAY AND IMPARTED
SUBSTANCE OF PARAGRAPH ONE AND TWO IN REF A. AT FIRST, HE
THOUGHT THAT MAIN IMPACT OF DEPARTMENT'S INQUIRY WAS ON
BRINGING SUGAR FROM CUBA; BUT I POINTED OUT THAT UNDER LEGISLATION
OF FAA 1961 OPERATIVE CLAUSE APPLIED TO THE FLAG OF SHIPS
CARRYING CARGO FROM CUBA. IN OTHER WORDS, AS I READ STATUTE,
MAIN POINT WAS THAT T-19 OR ANY OTHER VENEZUELAN FLAG VESSEL
SHOULD NOT RPT NOT BRING CARGOES FROM CUBA OF ANY KIND;
OTHERWISE, SANCTIONS PRESCRIBED BY ACT WOULD AUTOMATICALLY
BE IMPOSED.

2. AT THIS POINT, I REPEATED MY MANY TIMES ASSERTED
VIEW, BOTH IN THE UNITED STATES AND ABROAD, THAT WHAT I
CALL "DIPLOMACY BY STATUTE" IS A PERNICIOUS THING.
IN THIS IMMEDIATE CASE, WE HAD A TWELVE-YEAR-OLD
LAW WHICH BOUND THE HANDS OF THE ADMINISTRATION UNDER
CONDITIONS PERHAPS NOT THEN FORESEEN BY OUR CONGRESS. I TRUST
THAT THIS MOST RECENT EXAMPLE OF THE DISABILITIES OF
"DIPLOMACY BY STATUTE" WILL BE KEPT IN MIND BY THE H BUREAU
SECRET

PAGE 02 CARACA 10266 01 OF 02 022032Z

OF THE DEPARTMENT.

3. I AM GREATLY RELIEVED THAT SOME OF THE FEARS EXPRESSED
REF B (E.G., PARAGRAPHS 3 AND 5) HAVE NOT REPEAT NOT

MATERIALIZED. CALVANI WAS TRANSPARENTLY SINCERE IN TELLING ME THAT, ALTHOUGH HE KNEW OF THE GENERAL TREND OF OUR EMBARGO ON CUBA, HE HAD UNTIL THIS MOMENT NO REPEAT NO IDEA THAT TRANSPORT BY A VENEZUELAN FLAG VESSEL WOULD IN FACT PROHIBIT FURTHER FOREIGN ASSISTANCE FUNDS AND PARTICULARLY MAP TRAINING FOR VENEZUELA.

4. IN CASTING ABOUT FOR IMMEDIATE ALTERNATIVES, WE DISCUSSED POSSIBILITY OF BRINGING THE 5,000 TONS OF CUBAN SUGAR BY COMMERCIAL TRANSPORT UNDER ANOTHER FLAG THAN THAT OF VENEZUELA. TO THIS, HOWEVER, CALVANI REPLIED THAT WE CONFRONTED A HIGHLY DELICATE SITUATION BECAUSE IF SUDDENLY ORDERS SHOULD BE ISSUED TO T-19 TO RETURN FROM CUBA WITHOUT CARGO, SPECULATION WOULD ARISE AS TO WHY THESE ORDERS HAD BEEN CANCELED. HERE I MUST ADMIT THAT FACT OUR NAVAL ATTACHE YESTERDAY QUERIED CHIEF OF VENEZUELAN OPS AS TO WHETHER T-19 HAD GONE TO CUBA TO LOAD SUGAR COULD EASILY BY JUNGLE TELEGRAPH GET AROUND THE COUNTRY THAT DIVERSION OF T19 WAS DUE TO U.S. PRESSURE. ALTHOUGH I DID NOT SO STATE TO CALVANI, HE AT ONCE GRASPED THE POINT AND SAID THAT WE WERE NOW HANDLING A VERY DELICATELY TICKING TIME BOMB. IMPORTATION OF SUGAR IS DIRECTLY LINKED TO VENEZUELAN ELECTIONS.

5. SEARCHING FURTHER FOR ALTERNATIVES, I ASKED IF IT MIGHT NOT BE POSSIBLE FOR VENEZUELA TO DIVERT T-19 TO SANTO DOMINGO TO LIFT THE 5,000 TONS OF SUGAR. HERE I SHOULD SAY THAT IT IS OBVIOUS THAT GOV WANT 5,000 TONS OF SUGAR FROM ANYWHERE BEFORE THE ELECTIONS, BUT NOT NECESSARILY CUBAN SUGAR. TO THIS, CALVANI RESPONDED THAT INDEED GOV HAD APPROACHED GOVERNMENT OF SANTO DOMINGO IN AN ATTEMPT TO SECURE SUGAR BUT HAD BEEN GIVEN THE ANSWER THAT IT WAS IN SHORT SUPPLY Owing TO OTHER DOMINICAN COMMITMENTS. CALVANI ADDED AS AN ASIDE THAT "THE PRESIDENT WAS PERPLEXED AS TO WHY HIS FRIEND BALAGUER COULD NOT BE MORE RESPONSIVE."

SECRET

PAGE 03 CARACA 10266 01 OF 02 022032Z

6. I ADDED THAT MAYBE AS AN EMERGENCY MEASURE WE MIGHT BE ABLE TO PERSUADE PUERTO RICO TO MAKE AVAILABLE 5,000 TONS OF SUGAR.

7. THE ESSENTIALS IN THIS DELICATE PROBLEM ARE:

A. THAT UTMOST SECRECY BE MAINTAINED AS TO MOVEMENTS OF T-19 IN ORDER THAT WHATEVER CHANGE IN ITS ORDERS MAY NOT BECOME A FOOTBALL IN THE POLITICAL AREA.

B. THAT U.S. MIGHT INDEED EXERT INFLUENCE ON PRESIDENT BALAGUER AS A STOPGAP AT LEAST TO PROVIDE 5,000 TONS OF SUGAR FOR WHICH PURPOSE T-19

COULD BE DIVERTED FROM ITS PRESENT VOYAGE TO CUBA AND
PICK UP THE SAME AMOUNT OF SUGAR FOR PROMPT DELIVERY
TO VENEZUELA BEFORE THE ELECTIONS.

C. THAT PUERTO RICAN ALTERNATIVE IS A POSSIBILITY
BUT MIGHT, IF LINKED WITH REPORT OF UNDUE U.S. INTEREST,
PROVE A BOOMERANG POLITICALLY IF WORD LEAKED OUT.

NOTE BY OC/T: NOT PASSED BOGOTA.

SECRET

PAGE 01 CARACA 10266 02 OF 02 022044Z

45

ACTION SS-30

INFO OCT-01 ISO-00 SSO-00 (ISO) W

----- 009727

O 021951Z DEC 73

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC IMMEDIATE NIACT 1947

S E C R E T SECTION 2 OF 2 CARACAS 10266/2

EXDIS

D. THE FINAL ALTERNATIVE WOULD BE TO PERSUADE
GOV TO IMPORT ITS CUBAN SUGAR UNDER ANY OTHER
FLAG THAN VENEZUELAN.

8. CALVANI SAID HE WOULD LIKE TO MULL THE PROBLEM OVER
AND THAT HE FULLY COMPREHENDED HOW SEEMINGLY TRIVIAL
AND FOOLISH EPISODES COULD GET OUT OF HAND. MY GUESS
IS THAT WITH LEADS I GAVE HIM AND WITH HIS OWN KEEN LATIN
MIND HE WILL COME UP WITH ACCEPTABLE ALTERNATIVE
SUGGESTIONS. IN THIS, I AM HAPPY TO REPORT, CALVANI WILL
PROBABLY FORMULATE HIS OWN LINE OF POLICY FOR APPROVAL BY
PRESIDENT CALDERA BEFORE THE LATTER RETURNS TOMORROW NIGHT
FROM ANOTHER ELECTION SWING AROUND THE COUNTRY. I SAW THE
PRESIDENT THIS MORNING AT MAIQUETIA WHERE HE WAS OBVIOUSLY
FLUSHED WITH PLEASURE AT SUCCESSFUL DEMONSTRATION OF THE
C5A. HE SPENDS THE NIGHT ON THE ISLAND OF MARGARITA WHERE
HE DEDICATES ANOTHER AIRPORT AND THEN, BEING IN SWING,
GOES TOMORROW TO BARCELONA TO DEDICATE THIS THIRDIMPROVED
AIRPORT IN THREE DAYS.

9. ACTION REQUESTED: IF DEPARTMENT CONCURS, IMMEDIATE
REPRESENTATIONS TO PRESIDENT BALAGUER TO MAKE AVAILABLE
5,000 TONS OF SUGAR TO BE LIFTED THIS WEEK BY T-19.
FAILING THAT, PRESSURE ON AUTHORITIES OR PRIVATE COMPANIES
IN PUERTO RICO TO MAKE AVAILABLE A SIMILAR AMOUNT OF
SUGAR TO BE LIFTED BY T-19. THE SOONER I CAN INFORM CALVANI

OF OUTCOME OF THESE STEPS, THE BETTER.

MCCLINTOCK

SECRET

PAGE 02 CARACA 10266 02 OF 02 022044Z

SECRET

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptoning: Z
Capture Date: 10 MAY 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, MARINE TRANSPORTATION, SHIPS, SUGAR, STRATEGIC TRADE CONTROLS, FLAGS OF CONVENIENCE, FOREIGN ASSISTANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 02 DEC 1973
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973CARACA10266
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: 11652 GDS
Errors: n/a
Film Number: P750032-1996
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731256/abqceerm.tel
Line Count: 170
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS ONLY
Reference: A. STATE 235702; B. CARACAS 10263; C. CARACAS 10264
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 26 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26-Sep-2001 by rowellE0>; APPROVED <30-Nov-2001 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: VENEZUELAN SHIPS IN CUBA TRADE
TAGS: MASS, ESTC, VE, CU, US
To: STATE NIACT
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005